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March 12, 2002 LB 1139

SENATOR LANDIS: Senator Beutler, let me do this...

SENATOR BEUTLER: I'd be delighted if you had time to look at it.

SENATOR LANDIS: Let me suggest that I go to work myself on trying to find that, rather than putting it off to you, and bringing you some language to see if it's something that you might find greater comfort than what you do with the bill in its current form.

SENATOR BEUTLER: Thank you.

SENATOR CUDABACK: Thank you, Senator Landis. Senator Preister on the advancement of LB 1139. Senator Preister waives off. Senator Landis, there are no other lights on. You're recognized to close if you care to.

SENATOR LANDIS: Thank you, Mr. President, members of the Legislature, this area, for which we have perhaps ten and maybe more in the state, has not been chosen to be regulated by the Department of Labor. This is a regime of regulation that fits someplace in the middle of what's there. I think Senator Beutler has fairly identified a couple of ways in which this could be improved. I will go to work on that. There's a problem here. This is a form of self-insurance, and self-insurance is not regulated. This is a form of self-insurance and self-insurance is not regulated. ERISA plans are not regulated. If you're big enough there is no state of Nebraska looking over your shoulder. And this is a way for an association to create a self-insurance mechanism. So, the hope here is to kind of walk a middle ground. It does not have the assurance and the level of oversight that we have in the regulation of insurance because this is not the practice of insurance. This is a form of self-insurance which is not now regulated. But, out of this we will get the power to stop one of these from existing, we'll get the power to enforce and regulate these folks. We'll have an obligation that says they have to look out for each other and assess each other for missing amounts. And we will also get them to get a stop-loss reinsurance at 125 percent of losses so that they can't get so